MINUTES FOR THE REGULAR MEETING CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD Docket No. 5443

1. Opening of Meeting:

The Appeals Board convened at 10:30 a.m., May 12, 2004, in Sacramento, with Chair Cynthia K. Thornton presiding.

2.	Roll Call: <u>Members</u>	Present	Absent
	Cynthia K. Thornton, Chair	×	
	Miller Medearis, Vice Chair	X	
	Jack Cox	X	
	Don L. Novey	X	
	Virginia Strom-Martin	X	
	Steve Maviglio	X	
	Ann Richardson	X	

3. Approval of the Minutes:

The minutes of the April Board meeting were approved.

4. Chair's Report:

Chair Cynthia Thornton congratulated Member Jack Cox on his fourth-year anniversary with the Board. Chair Thornton commented that the May revise would be out tomorrow, May 13, and the Board expects a slight reduction in funding.

5. Board Member Reports

Member Virginia Strom-Martin noted that the cases are becoming increasingly complex. She expressed her thanks to the Board ALJs and staff for their excellent work.

Member Ann Richardson referenced the pre hearing orientation being prepared for claimants and employers, thanking PALJ Tim McArdle and the rest of the committee members for their work on this project, which was presented at the last Board meeting.

Member Steve Maviglio noted that he has been searching for cases that would be appropriate for precedent decisions.

6. Chief Administrative Law Judge/Executive Director's Report:

Executive Director/Chief ALJ Arcellana reported the CUIAB is participating on a Labor Agency task force that is looking into the topic of information sharing. The

CUIAB is the only "non-enforcement" agency on this task force. PALJ Tim McArdle is assisting Executive Director/Chief ALJ Arcellana on the task force

Executive Director/Chief ALJ Jay Arcellana reported that EDD is continuing to close offices and co-locating with other service providers, sometimes with short notice to the CUIAB. This impacts CUIAB as it is losing hearing rooms. The latest announcement concerns the closing of the Simi Valley EDD office where we have two hearing rooms. Chair Thornton has spoken to EDD's Director, who assured us of better notice in the future.

Executive Director/Chief ALJ Arcellana was pleased to announce that all CUIAB branches were currently engaged in hiring efforts, which should help deal with the workload and employee attrition.

7. Branch Reports:

a. Executive Director/Chief ALJ Arcellana reported on the "Night Court" experiment in the Inland Office. Judges and support staff, on a voluntary basis, are hearing cases in the evenings on Tuesdays, Wednesdays, and Thursdays, and on Saturdays every other week. Cases are being set six weeks in advance so that parties objecting to such hearing assignments can have their cases reset. For the most part, however, the evening and Saturday settings have proven to be very convenient for parties who have returned to work. The response from the public and the staff has been very positive.

Executive Director/Chief ALJ Arcellana also reported on the status of the grocer's trade dispute. The Vons and Albertson's hearings have been completed. The Ralph's case will be heard in July. The hearings are being held in the auditorium in the Ronald Reagan state office building in Los Angeles. Over 4500 hearing notices will be mailed for the Ralph's case.

Executive Director/Chief ALJ Arcellana noted the unique problems confronting the CUIAB in the grocer's trade dispute. In virtually all such cases, claimants are represented by their union, typically through attorneys. In this case, all the claimants are appearing individually. Thus, individual hearings and decisions must be conducted. Executive Director/Chief ALJ Arcellana agreed with comments by Chair Thornton that this has been very burdensome on the support staff during an era of reduced staffing.

In response to questions from Members Strom-Martin and Novey, Executive Director/Chief ALJ Arcellana stated that any trade dispute cases going up on appeal to the board will be well orchestrated. They will be spread out so that Appellate Operations will not be hit with a dramatic increase in workload. Member Strom-Martin asked that training be provided for the board members on the law of trade disputes before the cases get to the board, of which she was assured.

Executive Director/Chief ALJ Arcellana reported on the status of remedial training for the judges. In response to Member Richardson's questions, he described the internal review procedure currently taking place which identifies judges who may benefit from remedial training. He described the training and the follow-up training that is given at the offices of appeals with the PALJ and a Sacramento-based judge. Executive Director/Chief ALJ Arcellana noted that the judges take a great deal of pride in their work and want to be sure that they are providing the best hearings and decisions possible.

In response to questions from Member Strom-Martin, Executive Director/Chief ALJ Arcellana stated that the trade dispute cases going to the board will be well orchestrated. They should be spread out so that Appellate Operation will not be hit with a dramatic increase in workload. Ms. Strom-Martin asked that training be provided for the board members on the law of trade disputes before the cases get to the board. Mr. Arcellana stated this would be done.

Lastly, Executive Director/Chief ALJ Arcellana reported there will be a PALJ meeting later in the week to address workload planning and hiring issues.

b. Deputy Chief ALJ Julie Krebs, Appellate Operations Branch, noted that the staff is preparing for the grocer's trade dispute cases. She stated that these cases will be pre assigned to a judge to assure that there is consistency in decisions.

Deputy Chief ALJ Julie Krebs reported that in April, 1,842 new cases were registered, which is 16 percent above the yearly average, and there were 1,535 dispositions, which is very close to the fiscal year average. They are watching the inventory closely to be sure it does not grow out of control. Deputy Chief ALJ Julie Krebs further reported that case aging dropped from 46 to 44 days in April. Appellate Operations is not continuing to make the 45 and 75 day time lapse standards, but is making the 150 day standard at 99 percent. In response to inquiry from Chair Thornton, Deputy Chief ALJ Julie Krebs stated that the loaning of judges to the field may need to be curtailed if the inventory rises past a certain point.

c. Deputy Director Pam Boston presented 25 year service pins to Francis Aguilar, Mary Shaw, and Gail Johnson, all of whom are assigned to the branch's Personnel Services Unit. The Board members and Executive Director/Chief ALJ Arcellana offered congratulations and thanks for their collective 75 years of service and dedication to the people of this state.

Deputy Director Pam Boston presented a report on the Personnel Services Unit. The Administrative Services Branch consists of Information Technology, Business Services, and Personnel. In addition, there are analysts who work directly for Deputy Director Pam Boston. These individuals coordinate the budget and spending, coordinate the workload of support staff, monitor ALJ complaints and the complaint tracking system, and serve as coordinators for the Agency events, the telecommuting program, and the safety and crime prevention program.

Within the Personnel Services Unit itself, there are several sub units. One is the Transaction Unit, which coordinates pay, benefits, recruitment, and position tracking for 510 full time employees, 39 part time employees, 29 permanent intermittent employees, and 78 retired annuitants.

The Worker's Compensation Coordinator monitors and assists with worker's compensation claims. The same unit handles return to work and reasonable accommodation issues.

The Wellness/health and Safety/travel Coordinator handles most employee health and wellness programs including blood drives, heart walks, and lunch hour information seminars. She administers the illness and injury prevention program, distributes information on health and wellness, and keeps staff informed of changes to travel rules.

The EEO and EAP Coordinator oversees the catastrophic leave, EEO and Merit Award programs, and also handles position recruitment and advertising.

The Labor Relations Officer handles contract interpretations, contacts, and coordination for Units 1, 2, and 4. She represents CUIAB at the Unit 2 bargaining table, and provides advice and assistance to supervisors on employee performance issues.

Finally, the Exam Unit coordinates the CUIAB examination program. CUIAB administered 10 examinations during the last fiscal year. This unit also performs classification and pay analysis and examination recruitment.

Executive Director/Chief ALJ Arcellana thanked the employees of the Personnel Services Unit for their fine work, and noted that the level of service they provide has been significantly better than the services the CUIAB received when it had previously relied upon EDD for support services.

d. Deputy Director Mary Walton-Simons, Planning and Program Management Branch, reported that CUIAB's Privacy Policy has recently been modified, pursuant to guidance from the state Office of Privacy Protection. One of the primary modifications is to specifically limit the collection of information to that absolutely necessary to process appeals. Another is to improve protections for CUIAB records. Presently CUIAB email is not encrypted, so parties are being advised not to email sensitive information such as addresses and social security numbers. An IT committee has been formed to study the encryption of email through encryption software or identify a comparable solution to protect data transmitted electronically between CUIAB and EDD. The amended policy will be posted in all hearing facilities within the month, and posted in both English and Spanish. The modified policy was drafted by Staff Counsel Kim Hickox and Information Security Officer Michele Robinson.

Deputy Director Mary Walton-Simons further reported that the bilingual handbook authored by staff services manager Martha Silva, is now complete. It provides a

ready resource for our employees who assist non-English speaking and sight and hearing impaired clients. This is a part of CUIAB's continuing effort to improve service levels. The handbook was produced completely in-house. In response to inquiry by Member Novey, Deputy Director Mary Walton-Simons stated that interpreters are utilized in 12 percent of all of our hearings.

Finally, Deputy Director Mary Walton-Simons reported that the ALJ biographies are now available.

8. Chief Counsel's Report:

Chief Counsel Ralph Hilton reported that each board member was assigned 349 cases in April.

On the litigation front, the CUIAB is presently carrying 112 cases in active litigation. Three new cases were filed in April, and one case, a win, was closed. One new case has gone on to the Court of Appeal. The case concerns the status of a courier and whether he had good cause to leave his work. The claimant quit because of dissatisfaction with his pay. He was being paid minimum wage plus 19 cents per mile. He claimed that 34 cents per mile was appropriate, citing a DLSE opinion. He also cited a Labor Code provision which requires employers to reimburse all necessary expenses incurred by employees. The case has potentially broad implications the employer community. Chief Counsel Hilton has discussed this case with the DLSE Chief Counsel.

9. New Business

Budget Presentation -- Budget Officer Renee Erwin (Attachment A)

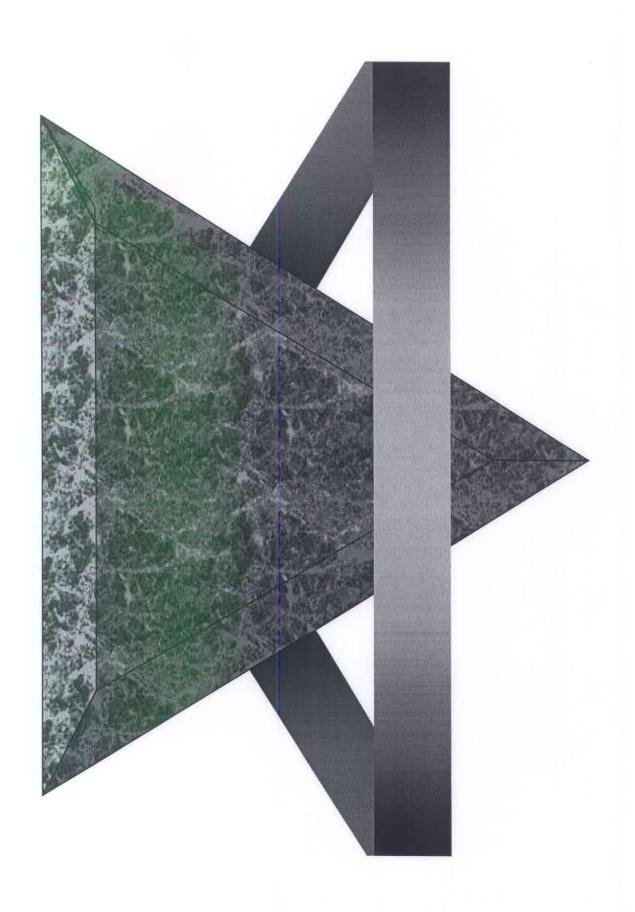
Workload Report—ALJ II Hugh Harrison (Attachment B)

10. Public Comment:

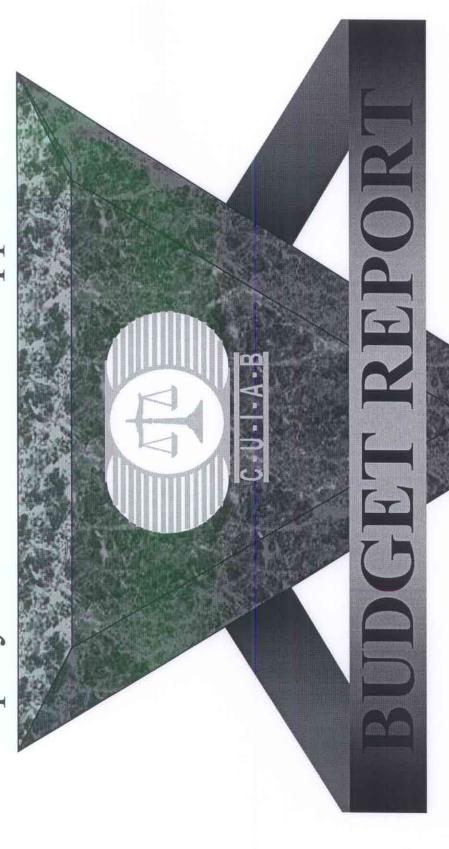
No public comment was offered.

11. Closed Session:

The regularly scheduled Board meeting adjourned, and the Board entered into closed session. No votes were taken on any matters in closed session.

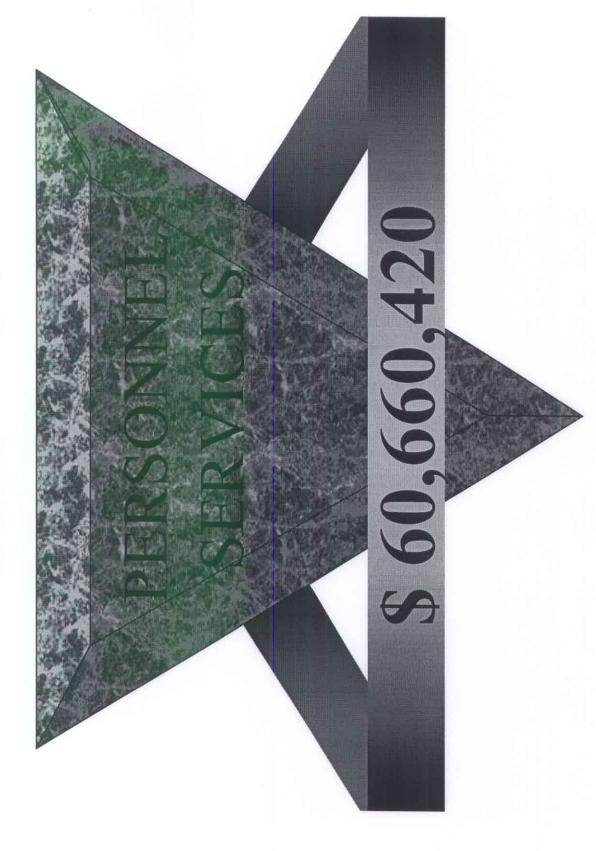


Unemployment Insurance Appeals Board California



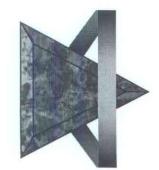
May 12, 2004











FUND SOURCES

Federal – UI	↔	\$ 61,501,000	88.14%
Contingent Fund	⇔	635,000	.91%
Special – DI	⇔	000,698,9	9.84%
General	∨	520,000	0.75%
Reimbursable	8	248,000	0.36%
TOTAL	\$	\$ 69,773,000 100	100 %

BUDGET ADJUSTMENTS TO GOVERNOR'S POSITIONS DOLLARS PROPOSED 04-05 BUDGET ACTION

➤ Personnel Services

- 46.6
- \$ 178,560

Reductions

- -\$ 512,000

➤ May 2004 Revise

- + \$ 1,935,027

- ➤ Family Temporary
- DI Program

- +18.0
- \$ 3,133,677

➤ Salary Savings 5%

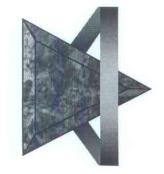
- \$ 1,889,300

▼ TOTAL

-34.0







PERSONNEL SERVICES

POSITIONS

Permanent

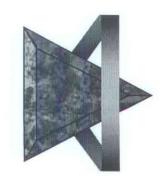
602.5

144.9

Temporary Help

747.4

TOTAL



PERSONNEL SERVICES

DOLLARS

Permanent

\$ 36,951,960 \$ 3,388,204

Temporary

\$ 47,250

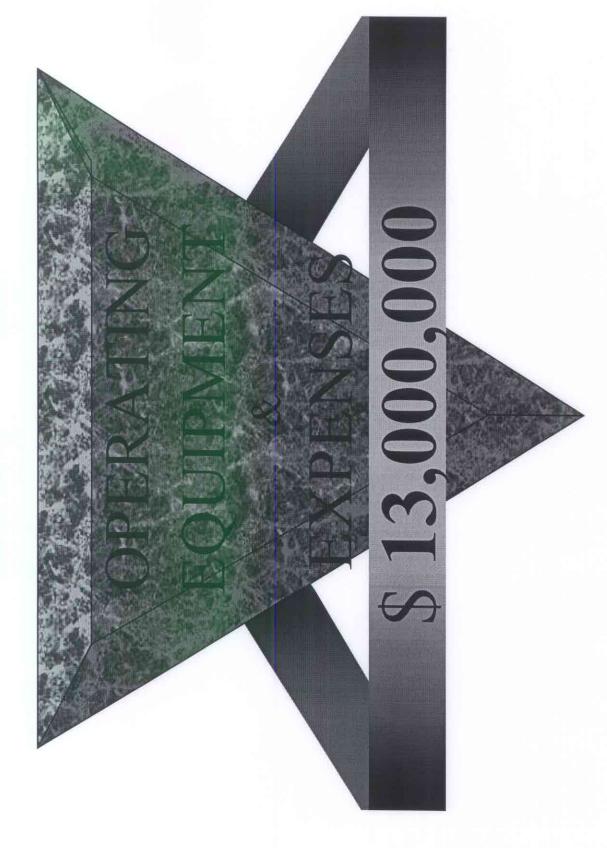
Overtime

Benefits

\$ 14,451,399

TOTAL

\$ 59,539,867



OE&E

BRANCH ALLOCATIONS

ADMIN

\$2,592,297

20%

\$ 612,015

2%

AO/CTU

\$ 120,829

1%

EXEC

\$ 393,049

3%

P&PM

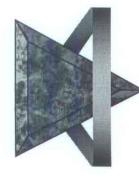
\$ 191,410

1%

▼ FIELD

\$9,090,400

%0/



OE&E CATEGORIES

> Facilities/Leases

\$ 7,721,478

26%

➤ Contracts & Services

\$ 2,595,250

20%

➤ Data Processing

\$ 1,185,553

%6

▼Travel

816,849

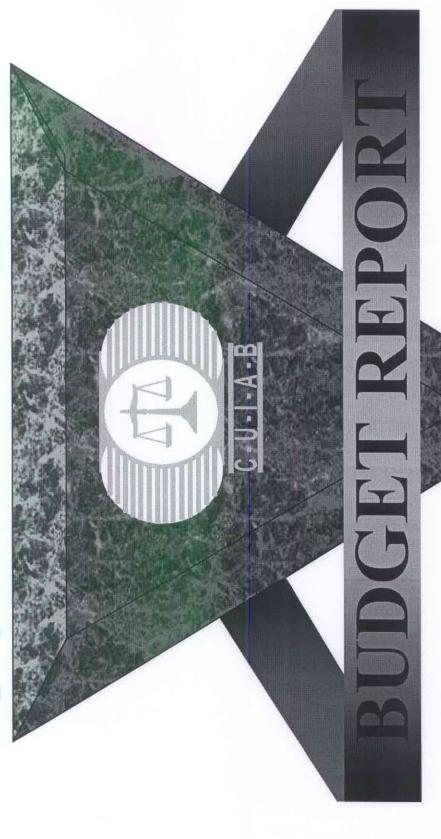
%9

➤Non Data Processing

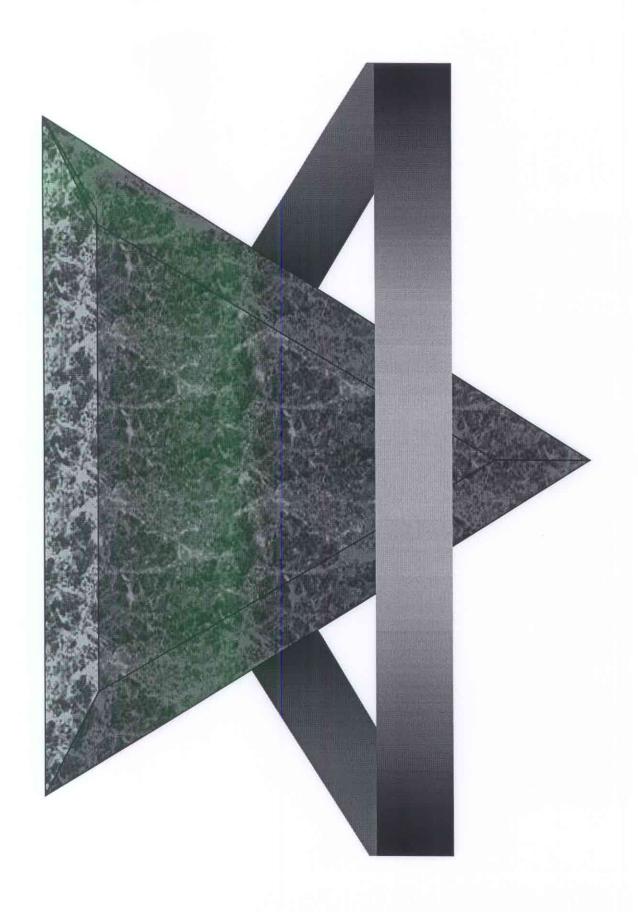
680,870

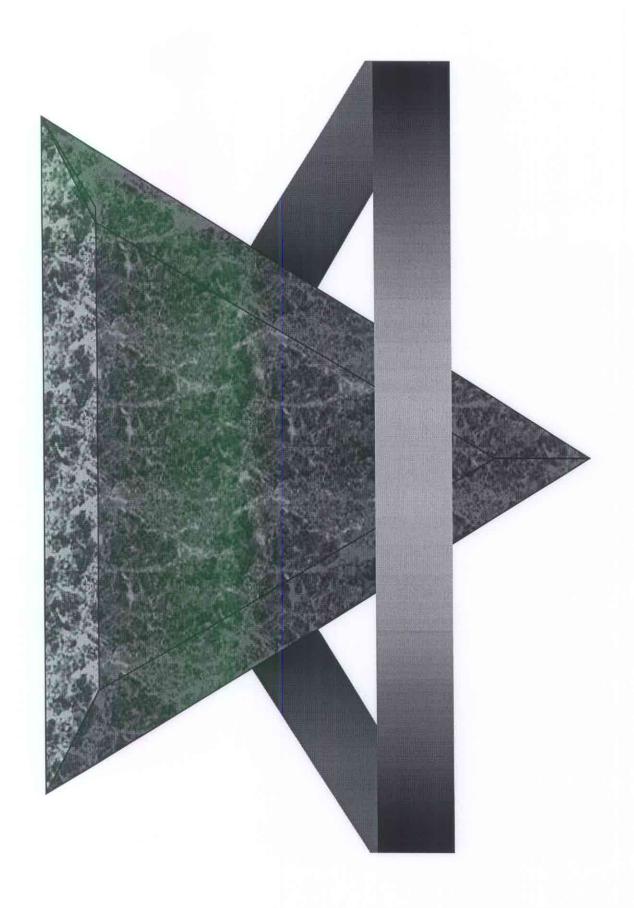
5%

Unemployment Insurance Appeals Board California

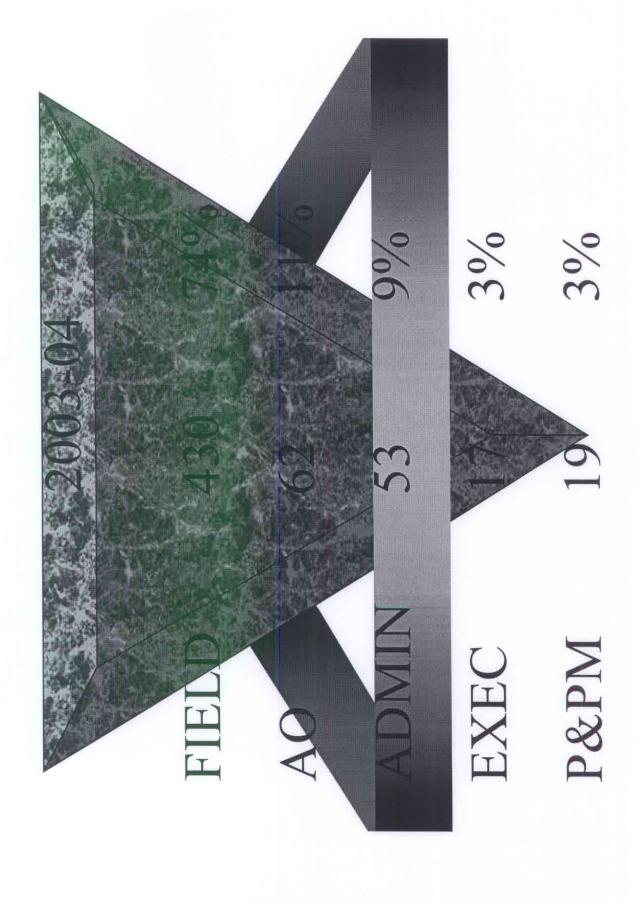


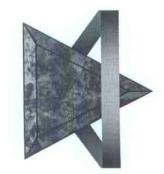
May 12, 2004





PERSONNEL BY BRANCH





FUND SOURCES

Federal – UI

Special - DI

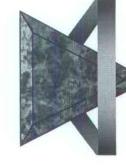
General

Reimbursable

89.4%

9.5%

0.3%

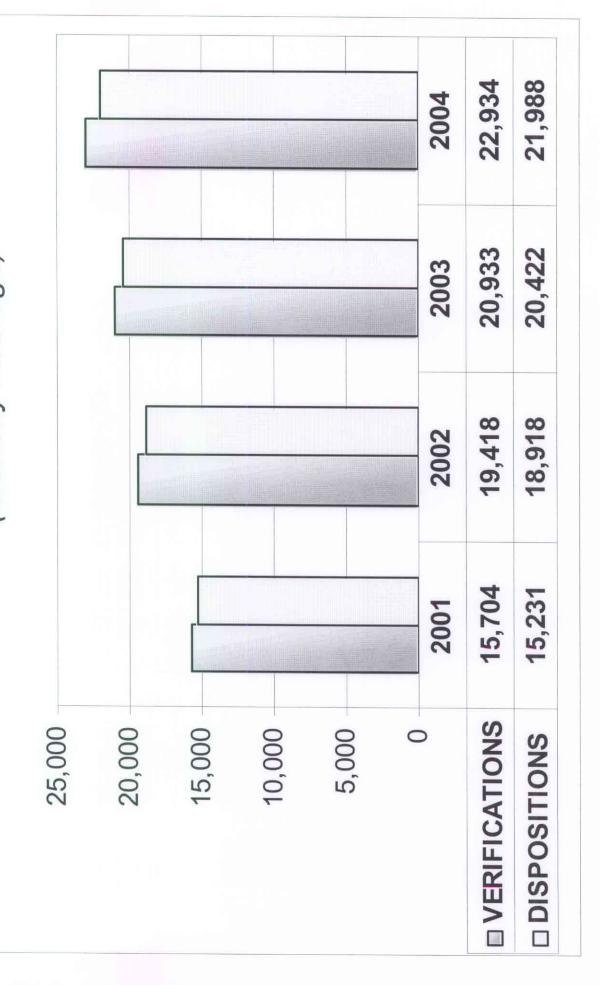


FUTURE UNCERTAINTIES

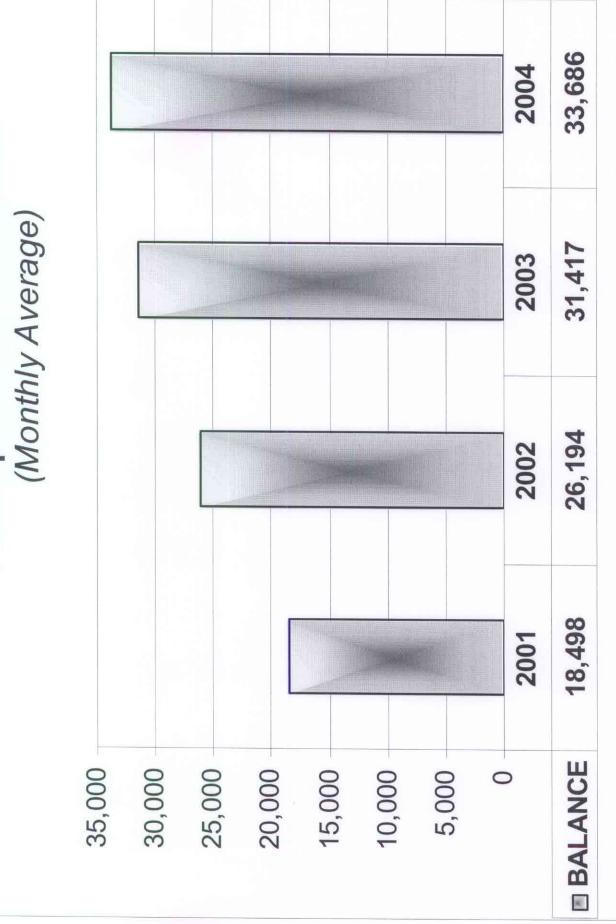
- > 03-04 Surplus carry forward to 04-05
- ➤ June 2004 Vacant Position Abolishment
- ➤ DOL Federal UI Base Allocation
- ➤ October 2004 Revise
- ➤ BL 04-06 3% General Fund Elimination
- ➤ Governor / DOF Reduction Drills
- ▼ Workload

CUIAB WORKLOAD REPORT May 2004

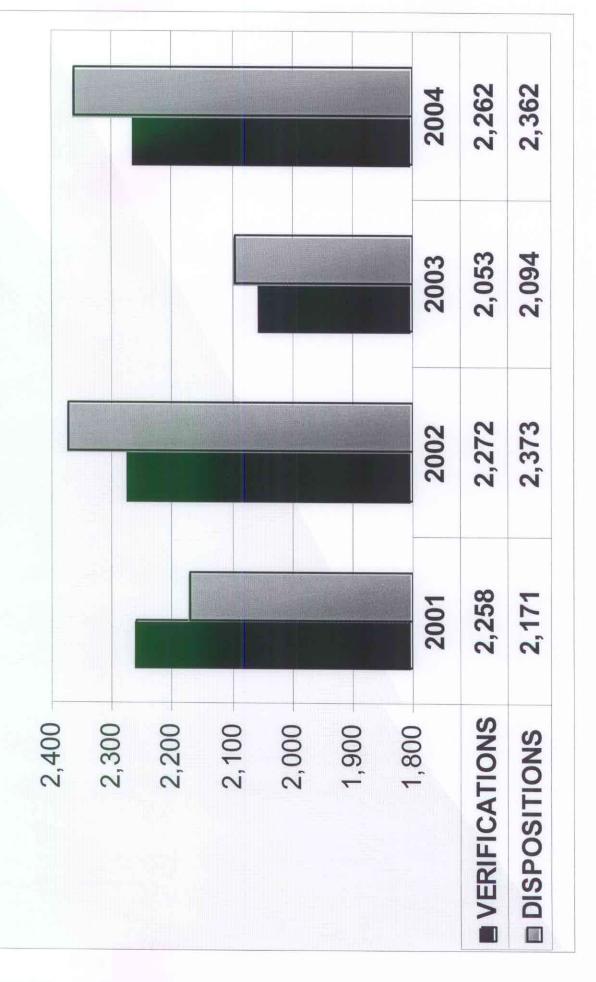
Field Operations UI Workload (Monthly Average)

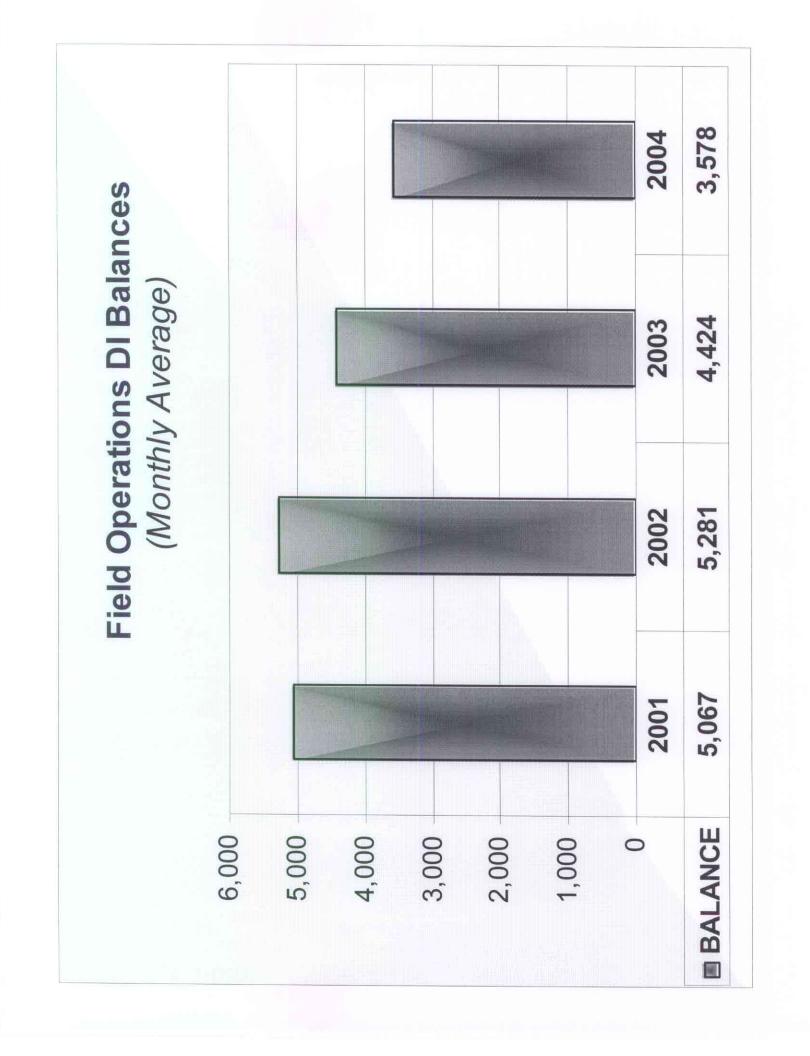


Field Operations UI Balances

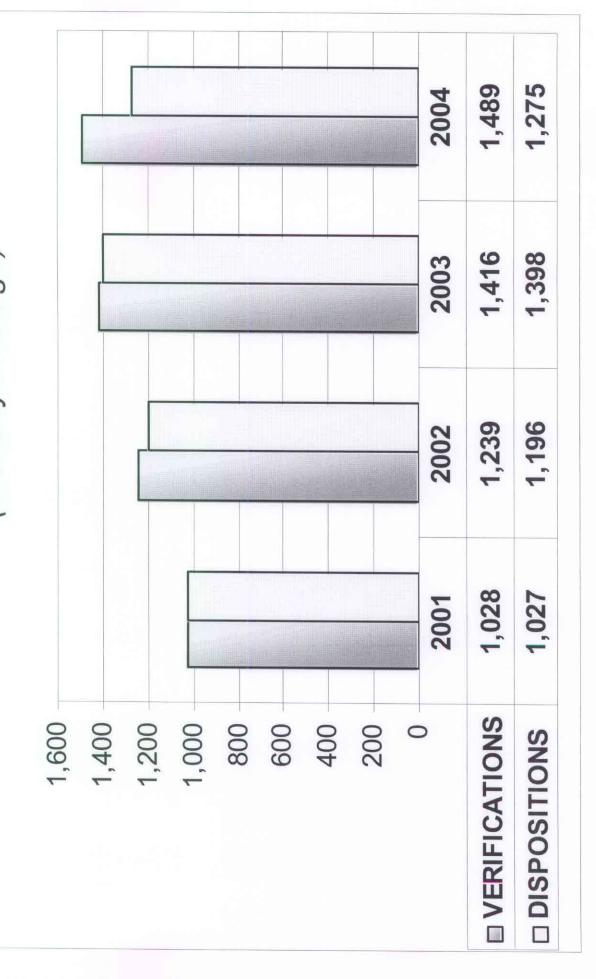


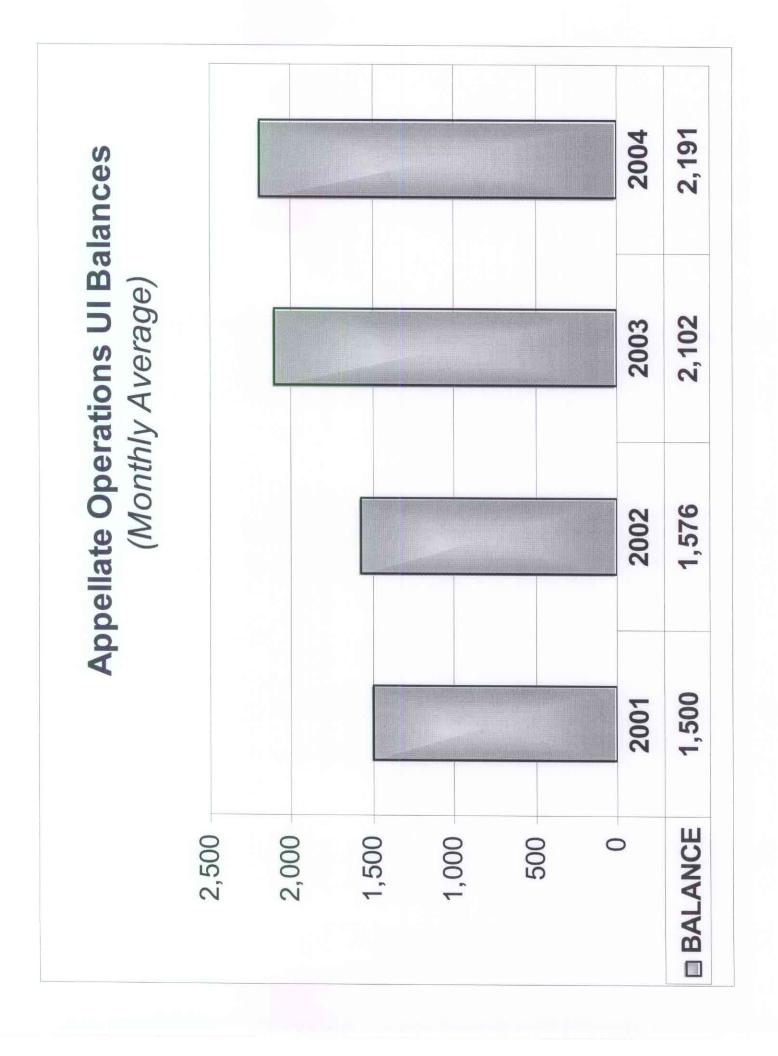
Field Operations DI Workload (Monthly Average)



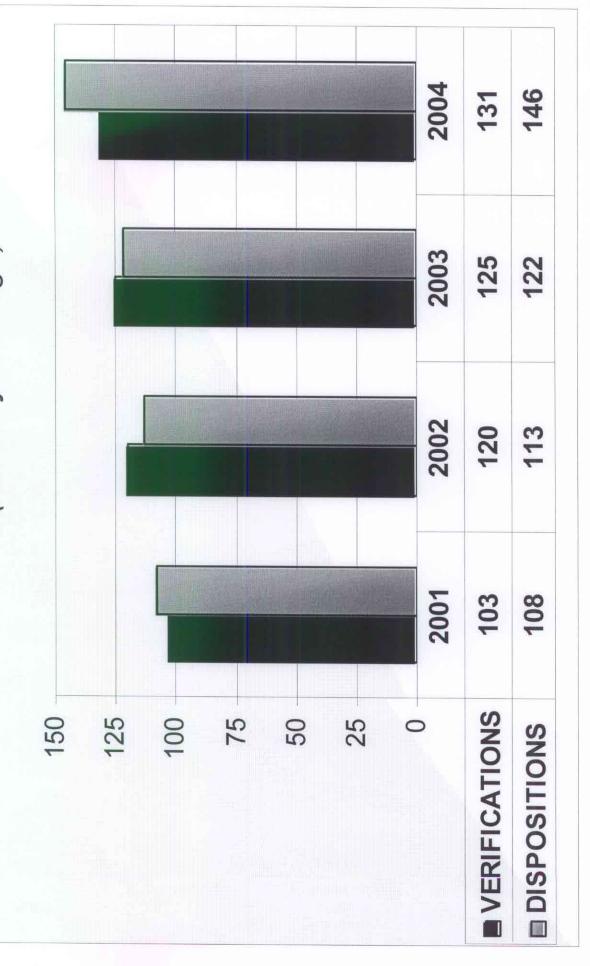


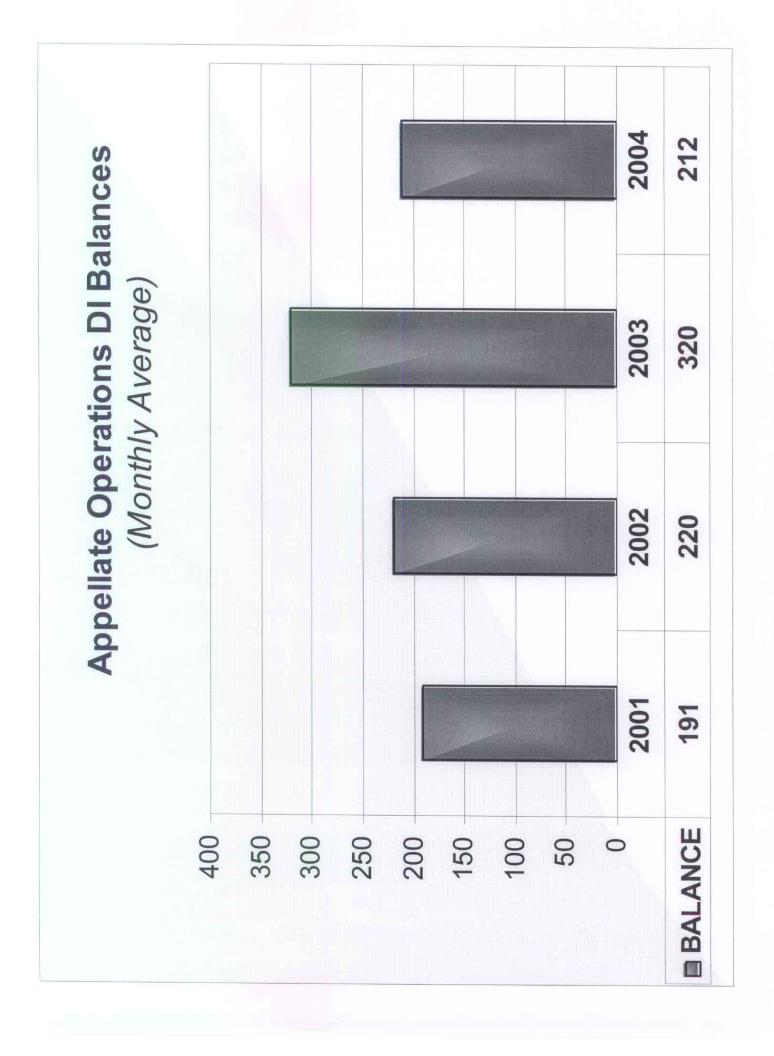
Appellate Operations UI Workload (Monthly Average)



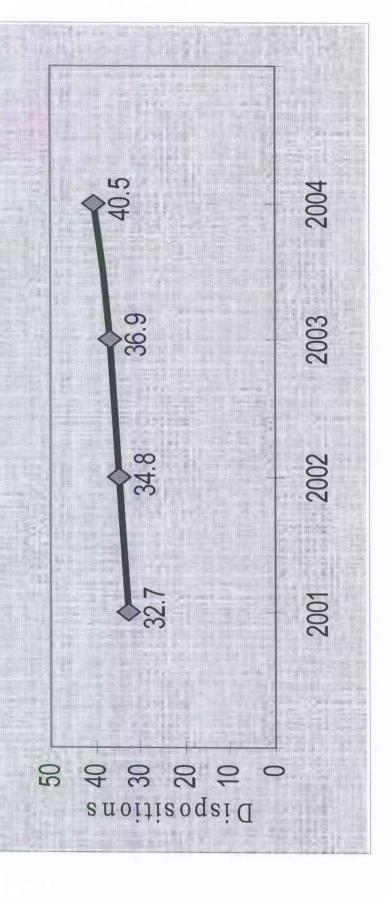


Appellate Operations DI Workload (Monthly Average)





Field Operations Weekly Dispositions per ALJ



BACKLOG WITH VERIFICATIONS REMAINING STATIC

